



BIHL GROUP

**CIRCULAR TO SHAREHOLDERS IN RELATION TO
PROPOSED AMENDMENTS TO THE COMPANY
CONSTITUTION**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Action Required:

- If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, banker, lawyer, accountant or other professional adviser immediately.
- If you have sold or transferred all your shares in Botswana Insurance Holdings Limited ("**BIHL**" or "**the Company**"), you should at once hand this Circular to the agent through whom you effected the sale and transfer, for transmission to the purchaser or transferee. This Circular is issued in compliance with the Listings Requirements of the Botswana Stock Exchange for the purpose of giving information to the Shareholders of the Company explaining and seeking approval for a related party transaction of a loan from a related party.



BOTSWANA INSURANCE HOLDINGS LIMITED

Incorporated in the Republic of Botswana

Registration Number: Co. BW00000505047

Date of Incorporation: 16 October 2006

ISIN: BW00000000033

("the Company" or "**BIHL**")

**CIRCULAR TO BIHL SHAREHOLDERS IN RELATION TO THE AMENDMENT OF THE COMPANY
CONSTITUTION**

The Botswana Stock Exchange has not verified the accuracy and truth of the contents of the document submitted to it and the Botswana Stock Exchange accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the decision taken based on the contents of this Circular.

CORPORATE INFORMATION

DIRECTORS

Name of Director	Role	Date of Appointment
Frank Mwinji Dalo	Executive Director	27 May 2025
William Robertson Dommissie	Non- Independent Director	14 December 2020
Edwin Tornado Elias	Independent Non Executive Director	22 August 2023
Mark Edward Hopkins	Independent Non Executive Director	21 November 2024
Keith Robert Jefferis	Independent Non Executive Director/ Chairman	11 July 2023
Catherine B Lesetedi	Executive Director	01 March 2016
Catherine Kate Maphage	Independent Non Executive Director	20 September 2023
Athalia Lesiba Molokomme	Independent Non Executive Director	05 March 2025
Pragnaben Naik	Independent Non Executive Director	21 November 2024
Mustafa Tassadak Sachak	Independent Non Executive Director	29 July 2023
Nigel Joseph Suliaman	Independent Non Executive Director	23 June 2020

CORPORATE ADVISORS

The Company



Botswana Insurance
Holdings Limited
Plot 66458, Block A,
3rd Floor, Fairgrounds
Office Park, Gaborone,
Botswana
P.O Box 336,
Gaborone, Botswana
T: +267 370 7400
www.bihl.co.bw

Legal Advisors



2nd Floor, Acacia House, Prime Plaza,
Plot 74538, Western Commercial Road,
Central Business District
P.O. Box 1368, Gaborone, Botswana
Telephone: +267 395 3481
Fax: +267 395 2757

Sponsoring Broker



Plot 113, Unit 30,
Kgale Mews,
Gaborone P/Bag 00223,
Gaborone, Botswana.
Tel: +267 3188627
Cell: +267 72108088
Fax: +267 3188629
motswedi@motswedi.co.bw

Company Secretary

Kagiso Sanki Mokgothu
Plot 66458, 3rd Floor, Fairgrounds
Office Park, Block A, Gaborone
, Gaborone, BW
T: +267 370 7400
D: +267 370 7435
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1. DEFINITIONS

In this section, unless the context indicates otherwise, the terms in the first column have the meanings assigned to them in the second column. Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine gender and vice versa. Reference to persons shall include corporations.

1.1 “Act”	Companies Act, Cap 42:01 as may be amended, modified or re-enacted from time to time;
1.2 “BIHL”	Botswana Insurance Holdings Limited;
1.3 “Board”	the Board of Directors of the Company;
1.4 “BSE”	the Botswana Stock Exchange Limited;
1.5 “Circular”	this circular issued by the Company in accordance with the Listings Requirements;
1.6 “CSDB”	the Central Securities Depository Company of Botswana Limited, a public company with limited liability duly incorporated in accordance with the laws of Botswana and operates as a central depository to the BSE;
1.7 “Director”	a person holding office as a director for the time being of the Company;
1.8 “EGM”	the extra ordinary general meeting of the Company to be held on 25 th February 2026;
1.9 “Listings Requirements”	the equity listings requirements of the BSE;
1.10 “Special Resolution”	the special resolution to be passed by the Shareholders approving the proposed changes to the Company Constitution;
1.11 “Registered Office”	the registered office of the Company is Plot 66458, , Block A, Third Floor Fairgrounds, Gaborone, Botswana;
1.12 “Shareholders”	registered holders of Shares and in respect of the depositors whose securities accounts are credited with Shares with the CSDB, persons whose interests in Shares are held with the CSDB;

To: **Shareholders of the Company**

Dear Sir / Madam



CIRCULAR TO BIHL SHAREHOLDERS IN RELATION TO THE PROPOSED AMENDMENTS TO THE COMPANY CONSTITUTION

1. INTRODUCTION

1.1. The purpose of the Circular is to furnish information to the Shareholders as to the proposed amendments to BIHL's company constitution which the Company intends to adopt.

1.2. The resolution proposing the amendment will be tabled at the EGM on the 25th February 2026.

2. REASONS FOR AMENDMENTS

The Company seeks to amend the current Company Constitution in terms of section 43(3) of the Companies Act, to effect the changes at Appendix A, and the objectives of the amendment are in summary to;

2.1. To align the Constitution with the Companies Act (Amendment) 2025, ensuring compliance with current legislative requirements; and

2.2. To bring the Constitution in line with the Botswana Stock Exchange (BSE) Listing Requirements, reflecting the latest corporate governance and disclosure standards.

("Proposed Amendments")

3. REGULATORY COMPLIANCE

3.1. The Proposed Amendments are subject to compliance with Section 43(3) of the Act, Listings Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities.

3.2. In that connection, the Shareholders will be requested to approve the following resolution, at the EGM to be held on the 25th of February 2026:

“SPECIAL RESOLUTION

At a meeting of the Board of Directors held on the 19th of November 2025 , IT WAS HEREBY RESOLVED THAT:

“Subject to the Company’s compliance with all rules, regulations, orders and guidelines made pursuant to the Companies Act and the Listings Requirements of the Botswana Stock Exchange (BSE), the amendment to the 30th August 2016 Company Constitution, a draft of which has been sent to shareholders simultaneously with the notice convening the annual general meeting, is hereby approved and authorized to the fullest extent permitted by law.

Kagiso S. Mokgothu be and are hereby authorised to take all steps as are necessary or expedient to implement or give effect to the 2025 Company Constitution with full powers to amend and/or assert to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and with full power to do all such acts and things thereafter in accordance with the Companies Act and the requirements of the BSE and all other relevant governmental/regulatory authorities.”

4. Extra Ordinary General Meeting

4.1. The EGM or any adjournment thereof, will be held on the 25th of February 2026 during which the special resolution to give effect to the Proposed Amendments will be considered and if thought fit, passing with or without modifications.

4.2. A special resolution is required to pass the resolutions set out in this Circular.

5. DIRECTORS’ OPINIONS AND RECOMMENDATIONS

5.1. The Directors, having considered all aspects of the proposed amendment to the Constitution, are of the opinion that they are in the best interest of the Company and will not result in the Company being unable to pay its debts as they become due or the Company’s assets being less than their liabilities as envisaged in Section 59 (4) of the Act. Accordingly, they recommend that you vote in favour of the special resolution for the Proposed Amendments to be tabled at the forthcoming EGM.

5.2. The Directors have considered the proposed changes to the Constitution and the resolution presented and are of the opinion that they are in the interest of the shareholders.

5.3. The Directors recommend that the shareholders vote in favour of the proposed changes to the Constitution in terms of the resolution proposed.

6. FURTHER INFORMATION

6.1. Legal Advisors

Armstrongs Attorneys have been appointed to advise the Company and the Board for the

Proposed Amendments.

6.2. Documents For Inspection

The following documents are available for inspection in English during normal business hours on business days from 0800 hours until 1700 hours at the Company's Registered Office. The documents will also be available for inspection at www.bihl.co.bw, and will be shared electronically with shareholders upon request to the Company Secretary:

- 6.2.1. this Circular;
- 6.2.2. the final draft of the revised Constitution; and
- 6.2.3. the current Constitution;

6.3. Statement of liability

- 6.3.1. The respective affiliates, other professional advisors and the BSE have not separately verified the information contained in this Circular. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the arranger, the dealers, their respective affiliates, other professional advisors or the BSE as to the accuracy or completeness of the information contained in this Circular or any other information provided by the Issuer.
- 6.3.2. The professional advisers advising on the Proposed Amendments ("Advisors") and the BSE do not accept any liability in relation to the information contained in this Circular or any other information provided by the Issuer in connection with the Circular.
- 6.3.3. No person has been authorised to give any information or to make any representation not contained in or not consistent with this Circular or any other information supplied in connection with the Circular and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any Advisors or the BSE.
- 6.3.4. The Advisors as listed in this Circular have given and have not withdrawn their consent to the inclusion of references to their names in the form and context in which they appear in this Circular.

7. **GENERAL CONTENTS OF DISCLOSURE DOCUMENTS**

7.1. **Responsibility Statement of Members of The Board**

- 7.1.1. The members of the Board, document collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no other facts the omission of which would make any

statement false or misleading, that they have made all reasonable enquiries to ascertain such facts and (if applicable) that the Circular contains all information required by law.

7.1.2. The members of the Board confirm that the Circular includes all such information within their knowledge (or which it would be reasonable for them to obtain by making enquiries) as investors and their professional advisers would reasonably require and reasonably expect to find for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Company and of the rights attaching to the securities to which the Circular relates.

7.1.3. The Board confirms that all pro-forma information included in this Circular and associated documents is the responsibility of the directors of the issuer and that such information is given in compliance with IFRS.

7.2. Internal Controls

The Board, with the concurrence of the Audit Committee, confirms that the Issuer has sufficient and adequate internal controls to address the necessary financial, operational, and compliance requirements of the Issuer in terms of its Constitution, the Companies Act, and the BSE Listings Requirements.

7.3. Directors' Interests in Contracts

Directors who are in any way, whether directly or indirectly interested in a contract or proposed contract which has been or is to be entered into by the Company shall declare the nature and extent of their interest in accordance with section 135 of the Companies Act. Such Directors shall not vote in respect of any contract or arrangement in which they are interested.

7.4. Voting Rights in Other Companies

The Directors may exercise, or procure the exercise of, the voting rights attached to shares held by the Company in any other company in which it has an interest, and may exercise such voting rights in their discretion, including in favour of resolutions appointing any of them as directors, officers, or employees of such other companies and fixing their remuneration.

7.5. Borrowing Powers of Directors

The borrowing powers of the Directors may be exercised and varied as follows:

- 7.5.1. The Directors may borrow monies for the purposes of the Company's business as may be determined by a meeting of shareholders;
- 7.5.2. The Company may engage in foreign currency borrowings, including by way of back-to-back loan arrangements;
- 7.5.3. A register shall be maintained of all borrowings of the Company; and
- 7.5.4. The Directors may execute all necessary security documents in relation to any borrowings of the Company.

7.6. Dividends

- 7.6.1. Dividends may be paid electronically to a shareholder's registered account.
- 7.6.2. The Board may determine the currency of dividend payments and may differentiate between shareholders, with conversion from Botswana currency at a rate and time determined by the Board;
- 7.6.3. The Board may deduct from dividends any unpaid calls, interest, or statutory amounts relating to specific shares;
- 7.6.4. Dividends shall be payable to shareholders registered on the entitlement date following the declaration or confirmation of the dividend; and
- 7.6.5. Unclaimed dividends after three (3) years may revert to the Company, while other unpaid amounts are held in trust until lawfully claimed, without accruing interest.

7.7. Appointment, Retirement, and Removal of Directors

Directors who retire by rotation or are removed by ordinary resolution at a shareholders' meeting remain in office until the conclusion of that meeting, at which point their retirement or removal becomes effective. Any person appointed or elected as a Director at a shareholder's meeting shall assume office immediately after the conclusion of the meeting.

7.8. Shareholding Qualification

There is no shareholding qualification required for Directors.

7.9. Transferability of Shares

The Company's shares are freely transferable, subject only to any restrictions imposed by applicable law.

7.10. Form of Securities

The securities of the Company shall be issued and allocated to all beneficiaries in electronic form and shall not be represented by physical share certificates, except as may be permitted or required by applicable law

7.11. Commissions and Issue Expenses

There have been no commissions, discounts, brokerages, or other special terms granted within the two (2) years immediately preceding the issue of this Circular in connection with the issue or sale of any capital of any member of the Group.

7.12. Convertible Securities

There are no outstanding convertible debt securities of the Group.

7.13. Assets Outside Botswana

No significant proportion of the Group's assets is situated outside Botswana.

7.14. Group Structure

Botswana Insurance Holdings Limited (“BIHL”) is a listed holding company on the Botswana Stock Exchange. BIHL holds controlling interests in its principal subsidiaries, being Botswana Life Insurance Limited, BIFM Holdings Limited, and KYS Proprietary Limited.

7.15. Intellectual Property

The Group does not own any trademarks, patents, or other intellectual or proprietary rights which are material to its business, nor is the Group materially dependent on any such rights.

7.16. Business Continuity

There have been no interruptions in the business of the Group during the last twelve (12) months which have had a significant effect on the Group’s financial performance or financial position.

7.17. Employees

There have been no significant changes in the number of employees of the Group during the last twelve (12) months.

7.18. Principal Establishments

The BIHL Group conducts its operations primarily from offices located in Botswana, with its principal establishment being its head office in Gaborone. The Group’s premises are held under a combination of owned and long-term lease arrangements and are adequate for its operational requirements.

7.19. Nature of Business

The Board confirms that, as at the date of this Circular, there is no change in the nature of the business of the BIHL Group in contemplation.

7.20. Repatriation of Profits

The remittance of profits and repatriation of capital into Botswana is not subject to any material restrictions applicable to the BIHL Group. Certain foreign investments, however, are subject to local regulatory, market processes and conditions which may affect the timing of dividend repatriation in those jurisdictions.

7.21. Financial Information

Financial information relating to the BIHL Group is available on the Company’s website at www.bihl.co.bw.

7.22. Financial and Trading Prospects

The Board is of the opinion that, for the current financial year, the BIHL Group is expected to continue operating profitably, supported by its established market position, diversified business portfolio, sound capital position, and prudent risk management practices.

7.23. No Adverse Change

There has been no material adverse change in the financial or trading position of the Group since the date of its last audited financial statements or latest interim financial results.

7.24. Litigation

There are no legal or arbitration proceedings, whether pending or threatened, which may have or have had a significant effect on the Group's financial performance or financial position during the last twelve (12) months

8. BSE DISCLAIMER

The BSE has not verified the accuracy and truth of the contents of the document submitted to it and the BSE accepts no liability of whatever nature for any loss, liability, damage or expense resulting directly or indirectly from the decision taken based on the Circular.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'KJE', followed by a long horizontal line extending to the right.

Dr. Keith Jefferis
for and on behalf of the
BOARD OF DIRECTORS

Appendix A

Clause in existing Constitution	Revised Constitution	Proposed Amendments
Interpretation	This is now clause 1 which was not provided for in the constitution.	This new clause 1 has been added to include new definitions for ease of interpretation of the provisions of the Constitution.
The Companies Act and Listing Rules	This is now clause 2 which was not provided for in the Constitution.	This clause is now clause 2 and incorporates into the Constitution the provisions of the Companies Act, and the BSE Listing Rules and deals, to indicate that the provisions of the Constitution are subject to the Companies Act and the Listings Rules.
Rights attaching to shares	The rights attaching to shares were somewhat briefly captured in clause 2 under the heading commission and it is now clause 4 under the current constitution.	This clause has been amended to deals with the rights attaching to both ordinary and new shares and the alteration thereof. This clause has been amended to align the Constitution with the Listings Requirements.
Issue of New Securities (6)	This a standard clause which deals with the issue of new securities.	<p>This clause is now clause 5. This clause has been amended to make provision for issuance of fraction securities shares to comply with the Listing Rules.</p> <p>This clause also makes provision for consideration for shares and Bonus.</p>
Capital	This is now clause 6 which was not provided for in the Constitution.	This clause details the powers the Company has with regards to its capital and it prohibits the Company from providing financial assistance for the purpose of acquiring shares/securities issued or to be issued by the Company.
Transfer of Shares (9)	This is now clause 8.	This clause has been amended to align with the Listings Requirements which provides for shares to be issued in electronic form and to be transferred in terms of an electronic system for shares in

		the BSE.
Meetings of Shareholders	This is now clause 10 which was not provided for in the previous constitution.	This clause 10 has been added to align the process relating to shareholders meetings with the Listings Requirements and corporate governance.
Quorum for meetings of shareholders.	This is now clause 13 which was not provided for in the Constitution.	This new clause 13 has been added to define the quorum requirements for shareholder meetings and the procedure to follow if a quorum is not present. It ensures that meetings are validly constituted, provides clarity on adjournments or dissolution depending on who convened the meeting, and safeguards the Company's ability to transact business even when initial attendance is insufficient.
Voting at meetings of shareholders	This is now clause 14 which was not provided for in the Constitution.	This new clause 14 has been added to clearly set out the procedures for voting at shareholder meetings, including in-person, audio-visual, and polling methods. It defines voting rights, the process for demanding and conducting polls, counting votes, appointment of scrutineers, and declaration of results.
Proxies and corporate representatives	This is now clause 15 which was not provided for in the Constitution.	This new clause 15 deals with appointment of proxies and their roles in accordance with the Companies Act
Minutes of shareholder meetings	This is now clause 16 which was not provided for in the Constitution.	This new clause 16 has been added to ensure proper record-keeping of all shareholder meetings.
Shareholder proposals	This is now clause 17 which was not provided for in the Constitution.	This new clause 17 makes provision for proposals which may be made by shareholders for consideration
Adjourned meetings and disorderly meetings.	This is now clause 18 which was not provided for in the Constitution.	This new clause 18 has been added to clarify the powers and discretion of the chairperson in adjourning or dissolving shareholder meetings. It ensures that meetings can be managed efficiently, provides procedures for handling unfinished business, and sets out rules for adjourned meetings, including notice requirements.

Appointment and removal of Directors.	This is now clause 19 which was not provided for in the Constitution.	This new clause 19 has been added to provide a comprehensive and transparent framework for the appointment, qualification, rotation, removal, and retirement of Directors in line with good corporate governance practices and the Companies Act.
Alternate Directors	This is now clause 20 which was not provided for in the Constitution.	This has now been captured under its own clause 20 and it provides for the appointment, rights, remuneration and cessation of alternate directors.
Managing Director	This is now clause 21 which was not provided for in the Constitution.	This clause is now clause 21 and has been added to align it with Companies Act and provide for the appointment and resignation of the MD.
Proceedings of the Board	This is now clause 22 which was not provided for in the Constitution.	This new clause 22 has been added to provide a detailed and transparent framework for the conduct of Board meetings, including how meetings are convened, the form they may take, notice requirements, quorum rules, voting procedures, written resolutions, and the keeping of minutes.
Directors' remuneration (18)	This was provided for in clause 18 of the old Constitution.	This is now clause 23 and it has been expanded and amended to provide clarity and transparency regarding how Directors' remuneration, expenses, special payments, and retirement benefits are to be approved and managed.
Borrowing powers of Directors	This is now clause 24 which was not provided for in the Constitution.	This new clause 24 gives the Board the power to raise or borrow capital for the purposes of the Company's business.
Secretary	This is now clause 28 which was not provided for in the Constitution.	This new clause 28 deals with appointment of a company secretary and its roles in accordance with the Companies Act and the Listings Requirements.
Audit	This is now clause 30 which was not provided for in the Constitution.	This new clause 30 deals with appointment of a company auditors and its roles in accordance with the Companies Act.

Proxies and corporate representatives	This is now clause 15 which was not provided for in the Constitution.	This new clause 15 deals with appointment of a company auditors and its roles in accordance with the Companies Act.
Inspection of records	This is now clause 31 which was not provided for in the Constitution.	This clause prohibits holders of Securities from inspecting or requiring to be furnished with any privileged information.
Liquidation	This is now clause 32 which was not provided for in the Constitution.	This new clause 32 is a general clause which addresses an event of liquidation and any distributions to be made thereof.
Execution of deeds	This is now clause 33 which was not provided for in the Constitution.	This new clause 33 has been added to provide clear guidance on how the Company may validly execute deeds, contracts, and other binding obligations, ensuring compliance with legal formalities that apply to both natural persons and corporate entities.
Delegation of powers	This was briefly captured under clause 24 of the old constitution which deals with powers of directors generally.	This new clause 34 has been added to clearly set out the Board's authority to delegate its powers in accordance with the Companies Act, while expressly confirming that such delegation does not remove the Board's ultimate responsibility and accountability.
Powers that cannot be delegated	This is now clause 35 which was not provided for in the Constitution.	This new clause 35 has been added to align the Constitution with section 129 of the Companies Act, which specifies powers that directors are prohibited from delegating.
Controllers of the Company	This is now clause 36 which was not provided for in the Constitution.	This new clause 36 has been added to align the Company's Constitution with the requirements of section 41(b) of the Companies Act, which mandates the disclosure and recording of natural persons who exercise ultimate effective control over the company.